Seattle; Frank Blethen, Publisher and CEO of the
Seattle Times; John Carlson, radio talk show host
KVI-AM; Erubiel Valladares-Carranzo, who is
technical engineer, KPCN-LP 96.3 FM Radio
Movimiento "La Voz del Pueblo" and also Oscar
Morales; Christina Romano Glaubke, Director,
Children and the Media Program, Children Now;
Mark Allen, President and CEO Washington State
Association of Broadcasters; Elizabeth Blanks
Hindman, Associate Professor Edward R. Murrow
School of Communication at Washington State
University; Diana Kramer, Vice President and
General Manager, Puget Sound Publishing Company;
Pamela S. Pearson, Vice President and General
Manager KCPQ/KMYQ-TV, Tribune Broadcasting
Company; Jon Rand, General Manager KAYU TV,
Spokane, KCYU TV, Yakima, KFFX TV Tri-Cities;
Cheryl A. Salomone, Vice President and Market
manager, New Northwest Broadcasters of the Tri-
Cities; Andrew Skotdal, President, KRKO-AM,
Everett, Washington.

22 Mr. Heacox.

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1 MR. HEACOX: Good evening. I'd like 2 to thank the members of the Commission for the 3 opportunity to appear before you. 4 My name is Ray Heacox, and I'm a 5 native of the Northwest in Lakewood, Washington, 6 a graduate of Culver Park High School and Pacific 7 Lutheran University. I'm also president 8 general manager of King TV and Kong TV and 9 Northwest Cable News. 10 My purpose today is to provide you 11 with a real world example of how the public 12 benefits from enhanced local programming and 13 community involvement when companies like Belo 14 are allowed to own multiple outlets in a single 15 market. 16 Each weekday the duopoly of King TV 17 and Kong TV provide viewers in western Washington 9 1/2 hours of locally produced news, information 18 19 and feature programming. And on weekends we air 20 14 1/2 hours of local programming. 21 In the past year we've preempted NBC prime to run 25 hours of local documentaries on 22

important ballot measures, health issues, and our environment, as well as 15 hours of locally produced entertainment. We aired another 15 1/2 hours on Kong.

Kong is an independent UHS station with no network programming. It is hard to conceive of any model or a stand-alone station like that would be providing any local news in most markets.

Eight years ago after a stand-alone station in the market dropped its 10 p.m. newscast for economic reasons, leaving viewers with only one option at 10 p.m., we added a 10 p.m. newscast on Kong. It airs there seven days a week, something we couldn't do on King because the NBC network programming is on until 11 p.m.

The cost consolidation and programming flexibility provided by the duopoly of King TV and Kong TV have allowed us even in a weakened advertising climate to provide viewers with additional local programming. We added two additional hours of local news each weekday

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morning on Kong and we air a prominent local public affairs show called Up Front. It airs in prime time at 10:30 p.m. on Kong and at 9:30 a.m. on King.

In our market King TV offered several candidates for office free access to the public airways in It's Your Time, an initiative that was started over ten years King and our ago. newspaper partner, the Seattle Times, along with Spokane and Belo stations in Portland, our produce and simulcast political debates gubernatorial and senatorial candidates. By with other station and joining forces our Northwest Cable News, we are able to broadcast candidates' these debates and important information to the entire state of Washington.

In the 2006 election season, King Television broadcast 419 stories, more than 13 hours of coverage, a senatorial debate, and numerous race specific candidate appearances on Up Front.

As any local politician can attest,

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our coverage of politics and public policy in western Washington is the most extensive of any Washington broadcaster. For that commitment we received the Walter Cronkite Award from the Annenberg School of Journalism at USC. In fact, King TV has been honored with that award every year in which it's been given.

On Election Day 2008 this nation and state will choose its leadership. On our election night if history is any teacher Kong will be the only local TV station to carry full Prime Time coverage of the local election. King we will broadcast NBC national election uninterrupted. Without the second coverage we would have station, we would not -compromise local coverage in order to split with election results. Because of our national duopoly, viewers choose, not us.

Our commitment to community is equal to our commitment to high quality journalism. When disasters struck other communities we have worked to mobilize services and raise funds to

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1	provide relief. After Hurricane Katrina we raise
2	over \$800,000 with our community partners to
3	support the work of the Red Cross on the ground
4	in New Orleans. We also sent a large contingent
5	of news staff and our news director to help our
6	station in New Orleans provide around-the-clock
7	coverage on TV and the web.
8	Locally for the past eight years we
9	have worked to raise money for food donations
10	with Northwest Harvest. Last year we raised over
11	\$500,000 and nearly 1 million pounds of food. In
12	the past year we have raised millions of dollars
13	for more than twenty local nonprofit
14	organizations.
15	Thank you very much for giving me the
16	opportunity to talk this evening.
17	(Applause.)
18	MODERATOR SIGALOS: Thank you, Mr.
19	Heacox.
20	Mr. Blethen.
21	MR. BLETHEN: There is freedom in a
22	variety of voices. There is I believe a

fundamental reason why the American press is strong enough to remain free. That reason is that the American newspapers, large and small, and without exception, belong to a town and city, at the most a region.

The secret of a free press is that it should consist of many newspapers decentralized in their ownership and management and dependent for their support upon the communities where they are written, where they are edited, and where they are read. There is safety in numbers and in diversity and in being spread out and having deep roots in many places. Only in variety is there freedom. These are the words of noted journalist Walter Lippmann spoken half a century ago.

As you know, I'm Frank Blethen, the publisher of the Seattle Times, and my family has lived here for 111 years. We epitomize the local connection Lippmann so accurately cites as the foundation of America's freedom. We are accountable only to you and to our heritage with its paramount stewardship duties of independent

1 journalism and community service. 2 Tragically, the essential localism and 3 ownership diversity which Lippmann praises has 4 been neglected by Congress and abandoned by the FCC. Throughout America --5 6 (Applause.) 7 MR. BLETHEN: concentrated 8 ownership abounds. With it has come journalistic 9 disinvestment causing serious erosion in American 10 public policy literacy and civic engagement. 11 The public knows something is wrong. 12 When you get the opportunity to speak you 13 vehemently oppose more media control. You plead 14 with the FCC for localism and for the multiple 15 voices which are the very oxygen of your 16 community and of a healthy democracy, yet you're 17 The very citizen -- the very -- the ignored. 18 people -- You, the very people the FCC 19 appointed to serve, are ignored. 20 (Applause.) 21 we witness the MR. BLETHEN: As 22 inevitable failure of a publicly traded and absentee ownership models which now dominate our newspaper and broadcast outlets, America is at a crossroads. We can give up on our all too fragile democracy by obliterating the fourth leg on our democratic stool, a free, independent and robust press, or we can restore the localism and variety of voices which Jefferson and Hamilton envisioned.

Conglomerate media owners tell you they need more consolidation because the business model is broken. Nothing is further from the truth. After decades of milking newspapers and TV stations for some of the highest pretax margins imaginable, often as high as 30 percent on newspapers and 50 percent on broadcast, it has become impossible for them to sustain these false margins any longer, but that does not mean the economic model is broken.

Newspapers and TV stations are and will continue to be very profitable. Even today as they falsely claim economic distress the publicly traded newspaper sector is reporting 18

1	percent pretax profit margins.
2	You have the opportunity to be leaders
3	in saving our free and local press and in
4	rejuvenating America's civic engagement; but to
5	do that, you, being the FCC, must listen to the
6	people in a transparent, open, thoughtful and
7	honest process.
8	(Applause.)
9	MR. BLETHEN: You must keep all
10	current ownership restrictions in place,
11	including the all-important local cross-ownership
12	ban. You must return to rigorous TV licensing
13	processes and insist the public receives adequate
14	public service from their own airwaves.
15	(Applause.)
16	MR. BLETHEN: You must address your
17	egregiously unenforced mandates for minority and
18	female ownership. You must net neutrality and
19	related efforts to insure Internet freedoms
20	(Applause.)
21	MR. BLETHEN: and protect us from
22	the handful of corporations that are now seeking

1 to dominate the web as well as their content. 2 You need to institute a ban on cross-3 ownership of national print and national 4 broadcast outlets as companion local а to 5 ownership bans. It is time you become part of 6 the solution and stop being the problem. 7 Thank you. 8 (Applause.) 9 MODERATOR SIGALOS: Thank you, Mr. 10 Blethen. 11 Mr. Carlson. 12 MR. CARLSON: Thank you very much. 13 Ladies and gentlemen, I the was 14 Republican nominee here for governor here 15 2000, won the primary and, as I pointed out last 16 time, took home the silver medal in the general 17 election that year. I'm also the founder and 18 former President of Washington Policy Center, a free market think tank here in Seattle for more 19 20 than dozen years. I've been the 21 commentator on KOMO radio and a talk show host at

KVI Radio on Fisher Broadcasting. I am speaking

here today as a citizen, not as a representative of the company.

I want to thank the Commissioners for being here and holding their last hearing in Seattle, and I also want to thank you especially for giving us a chance to tell you how the effects of consolidation look very different on the ground in this Washington than they look from a distance in your Washington.

I think when deregulation leads to competition everybody is going to win, and consolidation is part of that. It doesn't matter what industry. Hold on. But it can be carried too far, and I think it has been.

(Applause.)

MR. CARLSON: Here is, here is where consolidation has taken us in Seattle. Of the 30 largest radio stations in this town 80 percent are now owned by national media companies. Of the six locally owned stations two of them are Christian stations, one is a classical music station owned by a trust, the other three are

Fisher Broadcasting stations -- KVI, KOMO, and STAR 101.5.

There is not a single great major radio station left in this town with a single owner. Everything is owned by chain. Everything. Now, there's lots of businesses with chains, and many of the famous ones started in Banks, retail stores, restaurants, this town. But a competitor can start a local etcetera. bank or a restaurant. You just can't go in and start a radio or TV station because the airwaves are finite, and not only are the finite, they're owned not by the seller, but by the people. need permission to buy --

(Applause.)

MR. CARLSON: There must be a referee to protect the ability of smaller locally owned companies to compete because at a certain point consolidation doesn't lead to competition, it doesn't reflect competition; it actually undermines competition and we're seeing that here.

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2		MR.	CARLSC

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CARLSON: We have to judge a policy by its impact, not its intentions. consolidation national media Expanded by companies will mean less local ownership. It will mean less competition at the local level. It will mean less local content. How do we know Because we're already seeing it here, so this? if we have more consolidation by national media companies, we will have even less of things.

I don't understand how smothering local ownership, local content, local competition serves the public interest.

(Applause.)

MR. CARLSON: Now, the rebuttal to this is that, hey, today there are more sources of news and entertainment and viewpoints for people than ever before thanks to the Internet, thanks to cable TV, thanks to satellite radio, etc., etc. And that's all true.

But the FCC dismisses that argument

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1	whenever the issue of foul language or nudity on
2	the public airwaves arises. The Commission says
3	it doesn't matter what's on HBO or MTV. It
4	doesn't matter what's on satellite radio. It
5	doesn't matter because the public airwaves belong
6	to the public and standards can apply there that
7	don't apply to cable content or to satellite
8	radio content.
9	All I ask, gentlemen, is that the five
10	of you apply the same standard when considering
11	how much national consolidation is too much.
12	Because if you believe that further national
13	consolidation endangers, even more than it
14	already has, local ownership, local content, and
15	local competition as the facts show, the question
16	answers itself.
17	Thank you very much for being here.
18	(Applause.)
19	MODERATOR SIGALOS: Thank you, Mr.
20	Carlson.
21	Mr. Valladares-Carranzo and Mr.
22	Morales.

1 MR. VALLADARES-CARRANZO: Thank you, 2 Commissioners for having me here. continue, I want to 3 Before I do 4 something that I want to welcome all of you to do 5 with me, and it's called the Campesino clap. Campesino clap is when we all clap together and 6 7 we clap in unison and when we all clap in unison, we yell chipawelo. And if you can say chipawelo, 8 9 go ahead. So ready? (Everyone claps in unison and yells.) 10 MR. VALLADARES-CARRANZO: So KPCN is 11 PCUN's radio station. PCUN is the Tree Planters 12 and Farm Workers United of the Northwest. 13 It is the Oregon Latino organization in a town where 50 14 percent of the community is Latino. 15 16 I'm here today not just to tell you about the amazing work that our independent, 17 locally owned radio station does, but to talk to 18 you about how corporate control of media and lack 19 of access to our own airwaves have impacted our 20 struggle to protect our rights and build our 21 22 community in the Willamette Valley.

KPCN is not just only a Latino owned radio station in Woodburn. We are the only station in Oregon owned by a labor union.

(Applause.)

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Some of the MR. VALLADARES-CARRANZO: history, in order to communicate with our Latino community, we have to pay for this time on the air, so we'd use a commercial radio station AM, KWBY La Frontera. And we had to do this because communicate with οf necessity to the community, and we had to let money the airwaves.

We did, and to make the story short, We got kicked out, shut down. Even. we did. even -- We didn't get to finish the list time, needed to do this because οf our but we We needed to talk about the communities. boarding issues. We needed to organize them for the better rights in the field.

And they taught us something. We -- What it taught us was that now that we own our radio station we can see how important it is to

this have media capacity. Why? Because it is amazing to see how media has many positive effects in today's minority communities which already has tons of struggles to deal with.

As an example, I can tell you that we have indigenous programming that allows them to communicate in their native tongue, not in Spanish, not in English. This opportunity does not have a price; this is priceless.

(Applause.)

MR. VALLADARES-CARRANZO: I want to do something, and I want to have Oscar Morales to talk about what his opinion it is, so all of the work that we're doing we're being watched by CWLS FM, and this is happening as we speak.

So the recent -- we want, we want to tell our civil rights in the communities and local groups to apply for new low power FM stations across the Northwest, but even if Congress works to expand the low power FM, the FCC already gave away most of the frequencies that these community organizations could use.

1	Those spots are now filled with translator
2	stations. So we want to tell the commission to
3	work to protect low power FM and to stop media
4	consolidation.
5	Thanks for listening.
6	Oscar Morales has something to tell
7	you, and I will translate for him.
8	MR. MORALES: Thank you Commissioners
9	for this opportunity. I am here because our
10	community radio station has changed my life and
11	many others, and I am here to represent all the
12	migrant communities in this nation and
13	representing all those young people that are over
14	there. (Indicating.)
15	(Applause.)
16	MR. MORALES: And tell them that the
17	government has put in a shadow.
18	Please, the Commission, don't shut
19	down our voices.
20	Thank you very much.
21	(Applause.)
22	MODERATOR SIGALOS: Thank you.

Ms. Glaubke.

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MS. GLAUBKE: Good evening. Chairman Martin, Commissioners Copps, Adelstein, and McDowell, thank you for granting the me opportunity to speak to you today.

My name is Christina Glaubke, and I am the Director of the Children and the Media Program at Children Now. For the past 14 years Children Now has been dedicated to creating a safe and enriching media environment for children.

We've been studying the effects of media consolidation on children since the FCC's last ownership proceeding in 2002. This should be an important issue for everyone because the quantity of children's programming is one of only a handful of ways that citizens can actually measure broadcasters' commitment to serve the public's interest.

In addition we know the quality of educational television can be a powerful learning tool and can help prepare children for success in

school. We want to ensure that all children have access to the full educational potential of television.

Children Now strongly believes that the Commission should not proceed with its rule making without first considering how children are affected by media consolidation.

In 2003 we conducted Big Media Little Kids, a ground breaking study that looked at the influence of duopolies on children's programming in Los Angeles. The results of the study clearly showed that duopolies in Los Angeles diminished both the availability and diversity of programs for children.

This fall Children Now released a second study to see if our findings in Los Angeles held up in other markets. Big Media Little Kids II expanded upon our original study by analyzing children's programming in eight broadcast markets throughout the country, including Spokane, Washington.

Our goal was to test the National

Association of Broadcasters claim that duopolies are "necessary to preserve and enhance broadcasters' ability to serve the public interest." If this is true, we expected to find that duopoly stations would decrease their children's programming less over time and offer more children's programming today than their nonduopoly counterparts.

Actually, we found quite the opposite to be true. First, we found that the 21 duopoly stations in our sample decreased their weekly hours of children's programming four times more than non-duopoly stations, and they decreased the number of children's series that they offered five times more than non-duopoly stations.

Of even greater importance to children we found that duopoly stations eliminated two and a half times more educational programming than did non-duopoly stations. Second, we found that by 2006 there was virtually no difference in the quantity of children's programming on duopoly and non-duopoly stations.

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All of these findings clearly refute 1 2 broadcasters' claims that duopolies allow them to 3 preserve and enhance their services to children. 4 Finally made couple of we а discoveries that we believe demand the attention 5 of the FCC. First, we found that a paltry 1 6 7 percent of children's programs were locally 8 programming positively produced. Local 9 influences children's self-concepts and increases their specific awareness and engagement. 10 Ιt should be a compelling finding for the Commission 11 given your charge to protect localism. 12 13 based of the Second, upon some programs we viewed, we believe the FCC must take 14 to better define what constitutes 15 steps 16 educational children's program since many 17 broadcasters don't seem to understand what that 18 means. 19 (Applause.) One station claims they 20 MS. GLAUBKE: are educating children by broadcasting a show 21 that teaches viewers how to stop smoking. Other 22

broadcasters have claimed to teach children about shark behavior with a program about a pet shark that talked, walked on its tail fin, and in one episode became a vegetarian. I don't think anyone could argue that either of these programs contains content that appropriately educates children.

We are currently conducting a study to assess the quality of children's educational programs, but even this preliminary research points to a need for a clear definition of educational.

In conclusion, we feel these findings clearly indicate that contrary to any of these claims children are not better served by duopoly stations. Our studies show a clear pattern of duopoly stations turning their backs on children.

They raised several questions about big media's commitment to the public, serving the public interest, especially when that commitment doesn't serve their bottom line. They provide compelling evidence that when big media wins,

1	little kids lose.
2	(Applause.)
3	MS. GLAUBKE: We ask you to consider
4	consolidation on children as you make your
5	decisions on media ownership and that you will
6	commit to taking the necessary steps to insure
7	that broadcasters are fulfilling their obligation
8	to the youngest television viewers.
9	Thank you.
10	(Applause.)
11	MODERATOR SIGALOS: Thank you, Ms.
12	Glaubke.
13	Mr. Allen.
14	MR. ALLEN: Good evening. Chairman
15	Martin and members of the Commission, thank you
16	for the opportunity to testify this evening.
17	My testimony will provide you with a
18	little broader policy perspective beyond simply
19	who owns how many stations in any given market
20	because the numbers themselves are meaningless.
21	Numbers by themselves don't mean anything. It's
22	quality that really counts.